

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1675 - SB 1633

January 31, 2020

SUMMARY OF BILL: Establishes that the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) is not required to file a report on state guidelines to implement state obligations under federal EPA emission guidelines if such guidelines are based solely on measures that improve the efficiency of coal-fired electric-generating units.

Requires the Department of Environment and Conservation (TDEC) to develop a plan to implement the federal Affordable Clean Energy (ACE) Rule and submit such plan to the EPA by June 15, 2020. The plan is prohibited from imposing standards of performance or a compliance schedule which results in either: the retirement of any existing coal-fired electricity generating unit or an increase in price rates for electricity that exceeds one half of one percent.

Requires owners of any coal-fired electricity generating unit to expeditiously provide data and analyses to the TDEC in order to aid the Department's development of such plan.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$300,000/FY19-20

Assumptions:

- Under federal rule 40 CFR 60, states have until July 8, 2022 to submit a plan to implement the ACE.
- According to the TDEC, it would be unable to meet the June 15, 2020 deadline established in this legislation.
- Based on information provided by the TDEC, it would utilize a contractor to meet the requirements of this legislation.
- Based on communication with a contractor, a one-time increase in state expenditures exceeding \$300,000 in FY19-20.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb